

AGENDA

California Road Charge Technical Advisory Committee (TAC)

Friday, April 20, 2018

California Department of Transportation-District 11

Garcia Auditorium Conference Room

4050 Taylor Street, San Diego, CA 92110

10:00 AM to 2:30 PM

Agenda Item	Responsible Party		Item Status
1. Roll Call	Jim Madaffer, Chair	10:00	I
2. Public Comment*	Jim Madaffer	10:05	I
3. Approval of Minutes for December 8, 2017 TAC Meeting and Review of December Action Items	Jim Madaffer	10:10	A
4. Member Reports	Jim Madaffer	10:15	I
5. Overview of Today's Meeting	Jim Madaffer	10:20	I
6. Senate Bill 1328 Overview	Garth Hopkins, CTC	10:25	A
7. Senate Bill 1 Update	Garth Hopkins	10:30	I
8. Caltrans Update on Road Charge Activities	Brady Tacdol, Caltrans	10:40	I
9. Oregon Road Charge Update	Maureen Bock Oregon Dept. of Transportation	10:50	I
10. Panel Discussion on Possible Implementation of Road Charge for Autonomous and Zero-Emission Vehicles; Commercial and Government Fleets	Joshua Cunningham Calif. Air Resources Board Eric Sauer Calif. Trucking Association Laura Bisesto Lyft Evan Speer Calif. Dept. of General Services	11:00	I
11. Lunch		noon	
12. Update on Research to Assess Fees on Zero-Emission and Low-Emission Vehicles for Transportation Improvements	Alan Jenn UC Davis Institute of Transportation Studies	1:00	I

13. Panel Discussion on Administration, Revenue Collection, and Enforcement	Tim Ford Calif. Department of Tax and Fee Administration Maureen Bock Oregon Dept. of Transportation Susan Martinovich CH2M Andrew Conway Calif. Dept. of Motor Vehicles	1:10	I
14. Review of Action Items	Jim Madaffer	2:10	A
15. Public Comment*	Jim Madaffer	2:15	I
16. Adjourn	Jim Madaffer	2:30	

* Public Comment: Persons attending the meeting who wish to address the Committee on agenda or non-agenda items are asked to complete a Speaker Request Card and give it to the Executive Assistant prior to the start of the meeting. Public Comment for agenda items will be heard during the Committee's consideration of those items and Public Comment for non-agenda items will be heard at the end of the meeting. Typically, public comment will be limited to two minutes per person; however, the Chair may decide to shorten or lengthen the public comment period at his or her discretion. Agenda items may be taken out of order.

Reasonable Accommodation: Any individual with a disability who requires reasonable accommodation to attend or participate may request assistance by contacting the Commission at (916) 654-4245. Requests for reasonable accommodations should be made as soon as possible, but at least five days prior to the scheduled meeting.

To view the live webcast of this meeting, please visit: <http://ctc.dot.ca.gov/webcast>

Future Road Charge TAC Meeting Dates:

- July 2018 – Meeting will be scheduled if necessary
- Friday, September 7, 2018 – Los Angeles
- Friday, November 16, 2018 – Sacramento

Road Charge Technical Advisory Committee Roster - 2017

Name	Organization	Title	Area of Representation
Jim Madaffer (Chair)	California Transportation Commission	Commissioner	California Transportation Commission
Lisa Bartlett	Orange County	Supervisor	Regional Transportation Agency
Jim Beall	California Senate	Senator	Legislature
Terry Benzel	USC Information Sciences Institute	Deputy Director	Data Security and Privacy Industry
David Chiu	California Assembly	Assemblymember	Legislature
Susan Ornelas	City of Arcata	Mayor	Regional Transportation Agency
Stephen Finnegan (Vice-Chair)	Automobile Club of Southern California	Manager of Government & Community Affairs	Highway User Groups
Loren Kaye	Foundation for Commerce and Education	President	Business and Economy
Nidhi Kalra	RAND Corporation	Director & Scientist	Telecommunications
Richard Marcantonio	Public Advocates, Inc.	Managing Attorney	Social Equity
Pam O'Connor	City of Santa Monica	Councilmember	Regional Transportation Agency
Robert Poythress	City of Madera	Mayor	Regional Transportation Agency
Eric Sauer	California Trucking Association	Vice-President of Policy & Government Relations	Highway User Groups
Lee Tien	Electronic Frontier Foundation	Senior Attorney	Privacy Rights Advocacy
Martin Wachs	UCLA Luskin School of Public Affairs	Professor Emeritus of Urban Planning	National Research and Policymaking

Public Comment

Public Comments will be solicited from members of the public attending the meeting.

Minutes

California Road Charge Program Technical Advisory Committee

Friday, December 8, 2017 - 10:00 AM to 2:00 PM

Riverside County Administration Building

4080 Lemon Street, Riverside, CA 92502

For a detailed review of this meeting please view the archived webcast: http://ctc.dot.ca.gov/webcast/roadcharge/vod_roadcharge.asp

Agenda Item			Responsible Party		Item Status
1. Roll Call			Jim Madaffer, Chair	10:00	I
Chair Jim Madaffer	Present	Richard Marcantonio	Absent		
Vice-Chair Stephen Finnegan	Present	Pam O'Connor	Present		
Senator Jim Beall	Absent	Susan Ornelas	Present		
Lisa Bartlett	Present	Robert Poythress	Absent		
Assembly Member David Chiu	Absent	Eric Sauer	Absent		
Terry Benzel	Present	Lee Tien	Present		
Nidhi Kalra	Absent	Martin Wachs	Present		
Loren Kaye	Absent				

2. Public Comment*	Jim Madaffer, Chair	10:05	I
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Speakers:

Raul Rodriguez Jr. - America First Latinos
 Robert Lauten – Private Citizen
 Fred Banuelos – Private Citizen
 Gary Gileno – Private Citizen
 Greg Brittain – Private Citizen
 Stephen Quest – Private Citizen
 Louis Reyes – Private Citizen
 Christopher Folgar – Private Citizen
 Carolyn Gonzales – Private Citizen
 Judi Neal – Private Citizen
 Greg Allan – Private Citizen
 Donald Dix – Private Citizen
 John Willis – Private Citizen
 Won Chang Hwang – Private Citizen
 Betty Robinson – Private Citizen

3. Approval of Minutes for May 19, 2017 TAC Meeting and Review of May Action Items	Jim Madaffer, Chair	10:10	A
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Motion: O'Conner

Second: Finnegan

Action Taken: Approved

Vote Results 8-0

Ayes: Bartlett, Benzel, Finnegan, Madaffer, O'Conner, Ornelas, Tien, Wachs

Nays: None

Abstained: None

4. Member Reports	Jim Madaffer, Chair	10:15	I
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No reports were provided.

5. Meeting Purpose	Jim Madaffer, Chair	10:20	I
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Technical Advisory Committee Chair Madaffer presented this informational item.

6. SB 1 Overview and CTC Implementation Schedule	Mitch Weiss, CTC	10:30	I
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California Transportation Commission Chief Deputy Director Mitch Weiss presented this informational item.

7. California State Transportation Agency (CalSTA) Update <ul style="list-style-type: none"> • State Agency Road Charge Coordination Meetings • Road Charge Pilot Program Report 	Brian Annis, CalSTA	10:45	I
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California State Transportation Agency Undersecretary Brian Annis and Caltrans Road Charge Program Manager Carrie Pourvahidi presented this informational item.

Technical Advisory Committee Chair Madaffer and members Tien and Ornelas asked questions and provided comments to the presenters.

8. Caltrans Update on Road Charge Activities <ul style="list-style-type: none"> • Road Usage Charge (RUC) West Update • Update on Federal FAST Act Road Charge Grants 	Norma Ortega, Caltrans Carrie Pourvahidi, Caltrans	11:05	I
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Caltrans Chief Financial Officer Norma Ortega and Caltrans Deputy Director for Road Charge Carrie Pourvahidi presented this informational item.

Technical Advisory Committee Chair Madaffer and members Bartlett and Wachs asked questions and provided comments to the presenters.

9. CTC Recommendations to the Legislature for 2018	Susan Bransen, CTC	11:25	I
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California Transportation Commission Executive Director Susan Bransen presented this informational item.

Technical Advisory Committee Chair Madaffer and Vice-Chair Finnegan provided comments to the presenter.

10. Lunch		11:35	
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11. 2018 TAC Meetings for Development of 2019 Legislative Recommendations	Jim Madaffer, Chair Garth Hopkins, CTC	12:30	A
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Technical Advisory Committee Chair Madaffer and California Transportation Commission Deputy Director Garth Hopkins presented this informational item.

Motion: O’Conner

Second: Ornelas

Action Taken: Approval of 2018 TAC meeting schedule as revised

Vote Results 8-0

Ayes: Bartlett, Benzal, Finnegan, Madaffer, O’Conner, Ornelas, Tien, Wachs

Nays: None

Abstained: None

12. Governor’s Zero Emission Action Plan & Discussion of Road Charge in-lieu of Zero Emission Vehicle Fee	Garth Hopkins, CTC Taylor Jones, GOBiz Alan Jenn, UC Davis ITS	12:50	I
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California Transportation Commission Deputy Director Garth Hopkins, California Air Resources Board Branch Chief of the Sustainable Transportation Technology Josh Cunningham, University of California Davis Institute for Transportation Studies’ Alan Jenn, and the California Governor’s Office of Business and Economic Development Policy Manager for the Zero Emission Vehicle Infrastructure Taylor Jones presented this informational item.

Technical Advisory Committee Chair Madaffer and members O’Conner, Ornelas, and Benzal asked questions and provided comments to the presenters.

13. Autonomous Vehicle Regulations Update & Discussion of Mileage Reporting Requirements for Autonomous Vehicles	Garth Hopkins, CTC Stephanie Dougherty, CalSTA Andrew Conway, DMV	1:10	I
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California Transportation Commission Deputy Director Garth Hopkins, California State Transportation Agency Deputy Secretary for Transportation Safety and Enforcement Stephanie Dougherty presented this informational item.

Technical Advisory Committee Chair Madaffer, Vice Chair Finnegan and member Tien asked questions and provided comments to the presenters

14. Review of Action Items	Jim Madaffer, Chair	1:30	A
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California Transportation Commission Deputy Director Garth Hopkins presented the following action items:

- Staff to provide the Technical Advisory Committee Members the link to the Governor’s Zero Emission Vehicle Action Plan.
- Staff to monitor University of California Davis Institute for Transportation Studies workload on Zero Emission Vehicle
- Continued coordination with California Air Resources Board and California Department of Motor Vehicles on Technical Advisory Committee activities.
- Caltrans staff to provide Technical Advisory Committee Members with hard copies of the full pilot program report.

15. Public Comment*	Jim Madaffer, Chair	1:40	
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Roy Blecicert – Private Citizen

16. Adjourn	Jim Madaffer, Chair	1:50	
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For a detailed review of this meeting please view the archived webcast: http://ctc.dot.ca.gov/webcast/roadcharge/vod_roadcharge.asp

Proposed Future Road Charge TAC Meeting Dates:

- Friday, April 20, 2018 – San Diego
- Friday, July 20, 2018 – (Optional date if a 4th TAC meeting is necessary)
- Friday, September 7, 2018 – Los Angeles
- Friday, November 16, 2018 – Sacramento



Susan Bransen, Executive Director



Date

TAC Member Reports

TAC members will provide verbal reports to the Committee at the meeting.

Overview of Today's Meeting

The Chair will provide a verbal overview of the meeting.

Memorandum

Tab 6

To: CHAIR AND MEMBERS

CTC Meeting: April 20, 2018

Reference No.: 6
Action

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Prepared By: Garth Hopkins
Deputy Director

Subject: **SENATE BILL 1328 OVERVIEW**

ISSUE:

Should the Road Charge Technical Advisory Committee (TAC) support Senate Bill 1328?

RECOMMENDATION:

Staff recommends the Road Charge TAC support Senate Bill 1328.

BACKGROUND (OR FINANCIAL RESOLUTION FOR ALLOCATIONS):

Senator Beall introduced SB 1328 this session. If enacted, this bill would extend the existence of the Road Charge TAC from January 1, 2019 to January 1, 2023. The bill would also expand the TAC's role from guiding the development of a road charge pilot program to assessing the potential for mileage-based revenue to be collected as an alternative to the current per gallon fuel tax.

Attachment: SB 1328



California

LEGISLATIVE INFORMATION

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SB-1328 Mileage-based road usage fee. (2017-2018)

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Date Published: 02/16/2018 09:00 PM

CALIFORNIA LEGISLATURE— 2017–2018 REGULAR SESSION

SENATE BILL

No. 1328**Introduced by Senator Beall****February 16, 2018**

An act to amend Sections 3090 and 3093 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1328, as introduced, Beall. Mileage-based road usage fee.

Existing law requires the Chair of the California Transportation Commission to create a Road Usage Charge (RUC) Technical Advisory Committee in consultation with the Secretary of the Transportation Agency. Under existing law, the purpose of the technical advisory committee is to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection as an alternative to the gas tax system. Existing law requires the technical advisory committee to study RUC alternatives to the gas tax and to make recommendations to the Secretary of the Transportation Agency on the design of a pilot program, as specified. Existing law repeals these provisions on January 1, 2019.

This bill would extend the operation of these provisions until January 1, 2023. The bill would, in addition, require the technical advisory committee to assess the potential for mileage-based revenue collection for California's roads and highways as an alternative to the gas tax system.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 3090 of the Vehicle Code is amended to read:

3090. (a) The Chair of the California Transportation Commission shall create, in consultation with the Secretary of the Transportation Agency, a Road Usage Charge (RUC) Technical Advisory Committee.

(b) (1) The purpose of the technical advisory committee is to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection for California's roads and highways as an alternative to the gas tax system.

(2) Commencing January 1, 2019, the technical advisory committee shall also assess the potential for mileage-based revenue collection for California's roads and highways as an alternative to the gas tax system.

(c) The technical advisory committee shall consist of 15 members. In selecting the members of the technical advisory committee, the chair shall consider individuals who are representative of the telecommunications industry, highway user groups, the data security and privacy industry, privacy rights advocacy organizations, regional transportation agencies, national research and policymaking bodies, including, but not limited to, the Transportation Research Board and the American Association of State Highway and Transportation Officials, Members of the Legislature, and other relevant stakeholders as determined by the chair.

(d) Pursuant to Section 14512 of the Government Code, the technical advisory committee may request the Department of Transportation to perform such work as the technical advisory committee deems necessary to carry out its duties and responsibilities.

(e) The technical advisory committee shall study RUC alternatives to the gas tax. The technical advisory committee shall gather public comment on issues and concerns related to the pilot program and shall make recommendations to the Secretary of the Transportation Agency on the design of a pilot program to test alternative RUC approaches. The technical advisory committee may also make recommendations on the criteria to be used to evaluate the pilot program.

(f) In studying alternatives to the current gas tax system and developing recommendations on the design of a pilot program to test alternative RUC approaches pursuant to subdivision (e), the technical advisory committee shall take all of the following into consideration:

(1) The availability, adaptability, reliability, and security of methods that might be used in recording and reporting highway use.

(2) The necessity of protecting all personally identifiable information used in reporting highway use.

(3) The ease and cost of recording and reporting highway use.

(4) The ease and cost of administering the collection of taxes and fees as an alternative to the current system of taxing highway use through motor vehicle fuel taxes.

(5) Effective methods of maintaining compliance.

(6) The ease of reidentifying location data, even when personally identifiable information has been removed from the data.

(7) Increased privacy concerns when location data is used in conjunction with other technologies.

(8) Public and private agency access, including law enforcement, to data collected and stored for purposes of the RUC to ensure individual privacy rights are protected pursuant to Section 1 of Article I of the California Constitution.

(g) The technical advisory committee shall consult with highway users and transportation stakeholders, including representatives of vehicle users, vehicle manufacturers, and fuel distributors as part of its duties pursuant to subdivision (f).

SEC. 2. Section 3093 of the Vehicle Code is amended to read:

3093. This chapter shall remain in effect only until January 1, ~~2019~~, 2023, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, ~~2019~~, 2023, deletes or extends that date.

SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No: SB 1328

Hearing Date: 4/3/2018

Author: Beall

Version: 2/16/2018

Urgency: No

Fiscal: Yes

Consultant: Randy Chinn

SUBJECT: Mileage-based road usage fee

DIGEST: This bill extends the life of the Road Usage Charge Technical Advisory Committee (TAC) for four years and requires it to continue assessing the potential for a mileage-based revenue system as an alternative to the gas tax.

ANALYSIS:

Existing law establishes the TAC to study alternatives to the gas tax, sunset the TAC on January 1, 2019, and requires the California State Transportation Agency to have implemented a road charge pilot program by January 1, 2017 and to report the results to the Legislature by June 30, 2018.

This bill extends the life of the TAC for four years and requires it to continue assessing the potential for a mileage-based revenue system as an alternative to the gas tax.

COMMENTS

- 1) *Author's Statement.* In 2014, the TAC was established to guide the development and evaluation of a pilot program to assess the feasibility of a "road charge" – an amount charged to drivers for each mile they drive – as a replacement to the gas tax for transportation funding. The pilot program confirmed the viability of many aspects of a road charge system; however, additional research and work is needed in a fully transparent and stakeholder-led process before any transition is considered. This bill will extend the sunset on the TAC so that the committee can continue exploring the potential of a road charge as a future alternative method for raising revenue for maintaining California's roads.
- 2) *Gas Tax Becoming Unsustainable.* The excise tax on fuels was originally created in the early 20th century to serve as a substitute user fee for the

construction, maintenance, and operation of the transportation system. At the time, it was technologically very difficult to track actual usage of the roadway by vehicle, but most vehicles on the road were very similar and experienced similar mileage. Therefore, a tax on fuels served as a suitable stand-in for usage.

Because of advancements in drive train technology, relying on a gas tax for funding roads has become less fair and sustainable. Vehicles which create the same demands on our streets are increasingly paying very different taxes to repair and build those streets; a Toyota Prius driver will pay less than half the gas tax of a driver of a typical car and less than one-quarter of the gas tax of the driver of a Chevy Suburban, assuming everyone drives the same number of miles. Electric vehicles pay no gas tax at all, though with the passage of SB 1 last year those vehicles will soon be assessed a separate road improvement fee. Total gas tax revenue will decline as cars become more efficient. This revenue shortfall and dissimilar impact on otherwise comparable vehicles will only grow as California's policies encouraging electric vehicles become more impactful.

- 3) *Pilot Program Results.* The road charge pilot program, which was completed in 2017, was the largest pilot program in the nation, involving more than 5,000 vehicles from throughout the state and testing several variations of a per-mile charge. Valuable information and experience were obtained, but the results of that test made it clear that much more work needs to be done before a substitute for the gas tax can be proposed. Using federal funding, Caltrans is currently investigating a pay-at-the-pump/charging station model as a gas tax alternative.
- 4) *TAC Membership.* The TAC membership is appointed by the Chair of the California Transportation Commission (CTC). It has 15 members from industry, highway user groups, privacy groups, local transportation agencies, and the legislature.
- 5) *CTC Recommendation.* The California Transportation Commission has recommended continuation of the TAC.

RELATED LEGISLATION:

SB 1 (Beall, Chapter 5 of 2017) — establishes and raises various fees for funding repairs and maintenance of California roads, bridges, culverts and transit systems, including, beginning July 1, 2020, a \$100 fee on zero emission vehicles.

SB 1077 (DeSaulnier, Chapter 835 of 2014) — establishes the TAC and requires the California State Transportation Agency to conduct a pilot program on a road usage charge.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, March 28, 2017.)

SUPPORT:

American Council of Engineering Companies
Automobile Club of Southern California
California Alliance for Jobs
California Association of Councils of Governments
California Transportation Commission
Transportation California

OPPOSITION:

None received.

-- END --

Memorandum

Tab 7

To: CHAIR AND MEMBERS

TAC Meeting: April 20, 2018

Reference No. 7
Information

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Subject: **SENATE BILL 1 UPDATE**

SUMMARY:

Garth Hopkins, Deputy Director for Transportation Planning, California Transportation Commission (Commission), will provide an update on the implementation of Senate Bill (SB) 1 (Beall, 2017) the Road Repair and Accountability Act of 2017. This legislation will generate an additional \$5.2 billion annually to repair and rehabilitate California's transportation infrastructure.

BACKGROUND:

On April 28, 2017, the Governor signed SB 1. On May 17, 2017 the Commission approved the SB 1 Implementation Plan and in June 2017 the Commission began holding workshops to develop guidelines for the various SB 1 programs under its purview. Attached is a SB 1 implementation fact sheet.

SB 1 created the following new funding programs:

- Local Streets and Roads Program - \$1.5 billion annually
- Local Partnership Program - \$200 million annually
- Trade Corridor Enhancement Program - \$300 million annually
- Solutions for Congested Corridors Program. - \$250 million annually

In addition, SB 1 augmented the funding for the following existing programs:

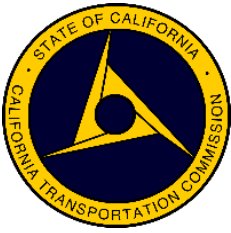
- State Highway Operation and Protection Program - \$1.9 billion annually
- Active Transportation Program - \$100 million annually

Funding for transit programs was also augmented:

- State Transit Assistance Program - \$430 million annually
- Transit and Intercity Rail Capital Program - \$270 million annually
- Commuter Rail and Intercity Rail - \$44 million annually

.

Attachment: SB 1 Implementation Update



ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SENATE BILL 1)

IMPLEMENTATION UPDATE

Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), the Road Repair and Accountability Act of 2017, provides the first significant, stable, and ongoing increase in state transportation funding in more than two decades. In providing this funding, the Legislature has provided additional funding for transportation infrastructure, increased the role of the California Transportation Commission (Commission) in a number of existing programs, and created new transportation funding programs for the Commission to oversee. The timelines below are intended to be a guide and will be updated as necessary during the programming process.

PROGRAMS UNDER COMMISSION OVERSIGHT	
Active Transportation Program Augmentation	Solutions for Congested Corridors Program
<p>The Active Transportation Program funds projects that increase the proportion of trips accomplished by biking and walking and increase the safety and mobility of non-motorized users.</p> <ul style="list-style-type: none"> Augmented 2017 Program - \$100 million per year <ul style="list-style-type: none"> Program Adopted - January 2018 \$192 million to 121 New Projects for a Two-Year Augmentation through 2018-19 Advanced 52 Projects to 2017-18 and 2018-19 2019 Active Transportation Program: <ul style="list-style-type: none"> 2019 Program Adoption - Spring 2019 Approximately \$446 million 4 year program through 2022-23 	<p>The Congested Corridors Program funds projects designed to reduce congestion in highly traveled and highly congested corridors through performance improvements that balance transportation improvements, community impacts, and that provide environmental benefits.</p> <ul style="list-style-type: none"> \$250 million per year 4 year program through 2021-22 Program Adoption - \$1.0 billion, May 2018 Received 32 project applications seeking approximately \$2.5 billion
Local Streets & Roads	Trade Corridor Enhancement Program
<p>The Local Streets & Roads Program provides funds, apportioned by the State Controller, to cities and counties for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.</p> <ul style="list-style-type: none"> Approximately \$1.5 billion per year 2017-18 Approved: 58 counties and 479 cities <ul style="list-style-type: none"> 4,096 projects 	<p>The Trade Corridor Enhancement Program funds infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, as identified in the California Freight Mobility Plan, and along other corridors that have a high volume of freight movement as determined by the Commission.</p> <ul style="list-style-type: none"> Approximately \$300 million per year 3 year program through 2019-20 Program Adoption - \$1.34 billion*, May 2018 Received 43 project applications seeking approximately \$1.9 billion <p>*Includes Federal FAST Act Funding</p>

<p>Local Partnership Program</p> <p>The Local Partnership Program provides funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees or taxes solely dedicated to transportation improvements or that have enacted fees solely dedicated to transportation. The Commission approved implementation of the Local Partnership Program as a 50 percent competitive program, 50 percent formulaic program.</p> <p><u>Formulaic Program</u></p> <ul style="list-style-type: none"> • \$100 million per year • First cycle - 2 year program through 2018-19 • Program Adopted - January 2018 • \$173.4 million to 57 projects <p><u>Competitive Program</u></p> <ul style="list-style-type: none"> • \$100 million per year • 3 year program through 2019-20 • Program Adoption - May 2018 • Received 90 applications seeking approximately \$900 million 	<p>State Highway Operation And Protection Program (SHOPP)</p> <p>The SHOPP is a four-year program of projects adopted by the Commission after holding at least two public hearings and a finding of consistency with the Transportation Asset Management Plan. Funding for SHOPP projects is a mixture of Federal and State funds, including the Road Maintenance and Rehabilitation Account created by SB 1. Projects included in the program are limited to capital improvements relative to the maintenance, safety, operation, and rehabilitation of the state highway system that do not add new capacity to the system.</p> <ul style="list-style-type: none"> • Approximately \$1.9 billion per year • Public Hearings - February & March 2018 • Program Adopted - \$18 billion*, March 2018 • 4 year program through 2021-22 <p>* State and Federal Funding</p>
<p>State Transportation Improvement Program (STIP)</p> <p>The STIP is the biennial five-year plan adopted by the Commission for state highway improvements, intercity rail, and regional highway and transit improvements. State law requires the Commission to update the STIP biennially, in even-numbered years, with each new STIP adding two new years to prior programming commitments.</p> <ul style="list-style-type: none"> • 2018 Program Adopted - \$3.58 billion, March 2018 • \$2.3 billion in new projects • 5 year program through 2022-23 	<p>Contact Us:</p> <p>Robert Nelson, Deputy Director, Programming Robert.Nelson@catc.ca.gov (916) 654-4245</p> <p>Website: www.catc.ca.gov</p> <p>Mailing Address:</p> <p>California Transportation Commission 1120 N Street MS 52 Sacramento, CA 95814</p> <p>Phone: (916) 654-4245 Email: ctc@catc.ca.gov Fax: (916) 653-2134</p>

Memorandum

To: CHAIR AND COMMITTEE MEMBERS
CALIFORNIA ROAD CHARGE TECHNICAL
ADVISORY COMMITTEE

TAC Meeting: April 20, 2018

Reference No.: 8
Information

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Brady Tacdol,
Acting Program Manager
Road Charge Pilot Program

Subject: Caltrans Update on Road Charge Activities

SUMMARY:

The California Department of Transportation's (Caltrans) will provide an update on the RUC West and Fixing America's Surface Transportation (FAST) Act activities at the April 20, 2018 Road Charge Technical Advisory Committee meeting as an informational item.

BACKGROUND:

In December 2015, Congress recognized the need to demonstrate a user-based alternative revenue mechanism to maintain the long-term solvency of the Federal Highway Trust Fund through the enactment of Fixing America's Surface Transportation (FAST) Act. Contained in the FAST Act, the Surface Transportation System Funding Alternatives (STSFA) grant program created a five-year, \$95 million grant program, which is eligible to a state or group of states to test the design, acceptance, and implementation of a future road charge alternative revenue mechanism. The user-based alternative should demonstrate improved functionality, increased public awareness, and recommendations on the adoption and implementation of such a model while minimizing administrative costs.

FAST Act – STSFA Grant: Round 1

In early 2016, round one of the grant program was released, which allocated approximately \$15M for states or groups of states to submit applications for planning activities. Caltrans submitted an application to enhance the Road Charge Pilot Program. More specifically, the research entailed an investigation of a pay-at-the-pump/charge point option, development of an education and outreach plan, and further organizational design exploration. Caltrans competed against a number of states and was awarded \$750,000 in federal funding. To date, Caltrans, working in collaboration with the Federal Highway Administration (FHWA), solicited information from industry and academia regarding technology and strategies for collecting vehicle mileage data and revenue at gas pumps and electric vehicle charge points. Caltrans received 11 responses and is in the process of assessing each response amongst the delivery team. In addition, Caltrans continues to work in close partnership with the Department of Motor Vehicles and the interagency workgroup, formed during the initial pilot, to further refine organizational structure and compliance research. This research will be completed by June 2018.

FAST Act – STSFA Grant: Round 2

In April 2017, round two of the grant program was released, making \$20 million in STSFA grant funding available to states or groups of states to submit applications for demonstration activities only.

Building off the results of the round one research and plan development, round two of the STSFA grant award is specifically for the demonstration of pay-at-the-pump/charge point technology and education and outreach on the public attitudes of transportation funding in general, as well as the road charge concept. Again, Caltrans competed against a number of states and was awarded \$1,750,000 in federal funding. To date, Caltrans submitted a request to the State Legislature to increase Federal budget authority and begin utilizing the funds. Contingent upon legislative approval, Caltrans will amend the cooperative agreement with FHWA and begin developing a scope of work for the round two demonstration.

FAST Act – STSFA Grant: RUC West

Additionally, RUC West was successful in their STSFA grant requests for both rounds. Like Caltrans, RUC West is currently developing the ground work for the live demonstration of interoperability between California and Oregon. Currently, the following deliverables have been completed: concept of operations, systems requirements specifications, interface control document, business requirements document, service level agreement, communications plan, and evaluation plan.

FAST Act – STSFA Grant: Round 3

This month, round three of the STSFA grant award is anticipated to be released. Both Caltrans and RUC West are planning to submit applications for additional STSFA grant funding. The remaining \$40 million will be allocated in the last 2 years of the STSFA program (2019 & 2020).

M e m o r a n d u m

To: CHAIR AND MEMBERS

TAC Meeting: April 20, 2018

Reference No. 9
Information

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Subject: **OREGON ROAD CHARGE UPDATE**

SUMMARY:

Maureen Bock, Program Manager of the Oregon Road Usage Charge (OReGO) at the Oregon Department of Transportation will provide an update on Oregon's experience on road charge.

BACKGROUND:

In 2001, the Oregon Legislature created the Road User Fee Task Force to develop sustainable, alternative funding mechanisms to the traditional gas tax. The first Oregon pilot was conducted in 2006-2007. Following the first pilot, the Oregon Legislature authorized an additional pilot in 2012, which was the first pilot program in which the Oregon Department of Transportation used a private sector account manager.

Following the successful 2012 pilot, the Oregon Legislature enacted Senate Bill 810 in 2013, which required the Oregon Department of Transportation to implement a larger-scale road usage charge pilot program compared to the initial pilot in 2006-2007. The goal was to create a fair and reliable source of revenue to fund transportation projects. The OReGO program began on July 1, 2015, and is designed to support up to 5,000 volunteers. For the OReGO program, volunteers pay a road usage charge for the amount of miles they drive. The state fuel tax is treated as a prepayment of the road usage charge and credited to volunteers' accounts as they use fuel to drive taxable miles. The current rate is 1.7 cents per mile, which coincides with the state's fuel tax of 34 cents per gallon. The enabling legislation required the program to offer mileage reporting options. The OReGO program continues to evolve in response to volunteer feedback and policy guidance from the Road User Fee Task Force.

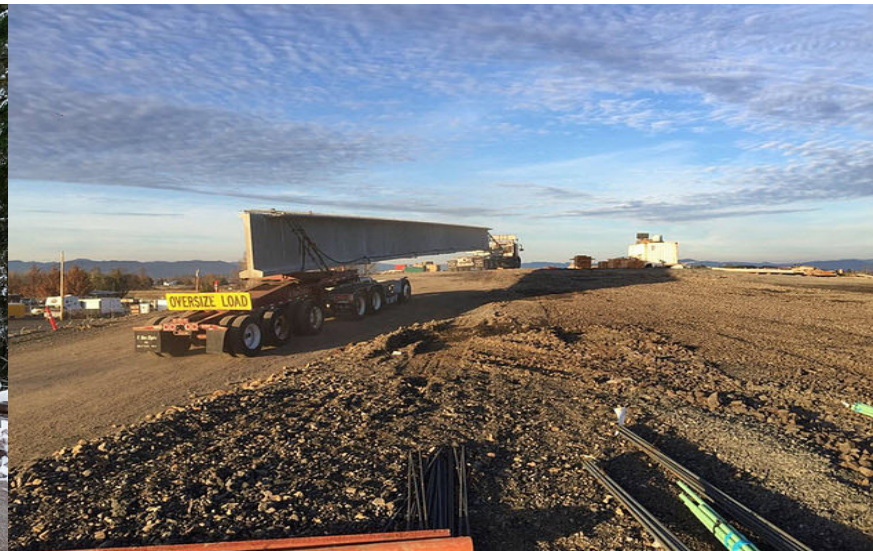


Oregon's Road Usage Charge Program

Finding a New Sustainable Funding Source for Transportation

Maureen Bock

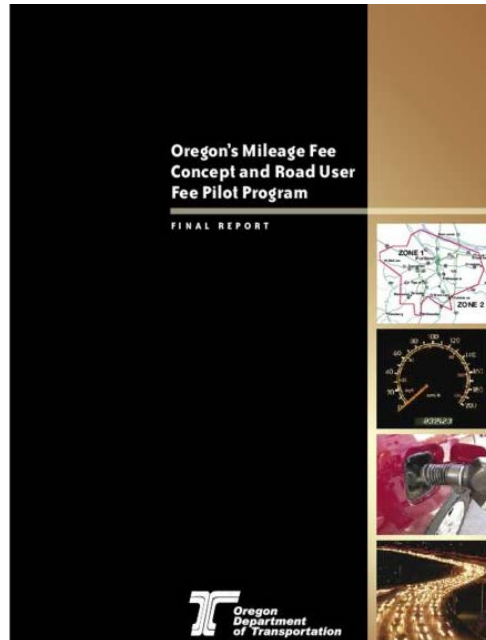
OReGO Program Manager





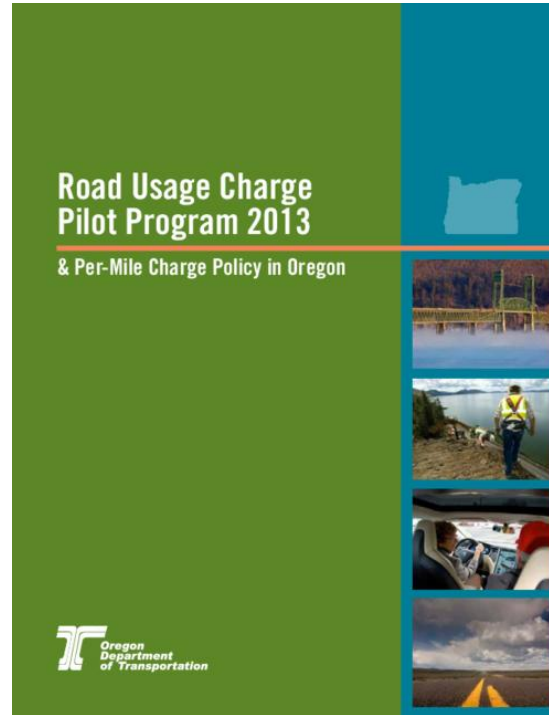
Experience

Oregon's pilot programs



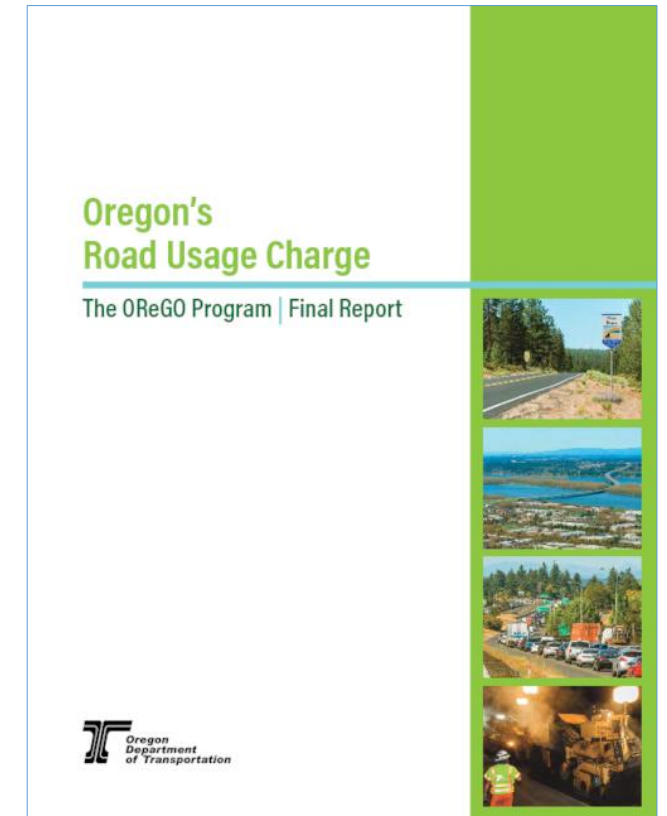
**Road User Fee Pilot
(2006-07)**

- Pay at the pump



**Road Usage Charge Pilot
Program, (2012-13)**

- Wireless reporting
- Private sector manager



**OReGO
(2015-present)**

- Production system
- Multiple managers
- ODOT oversight

Current Program

SB 810 (2013)



OREGO

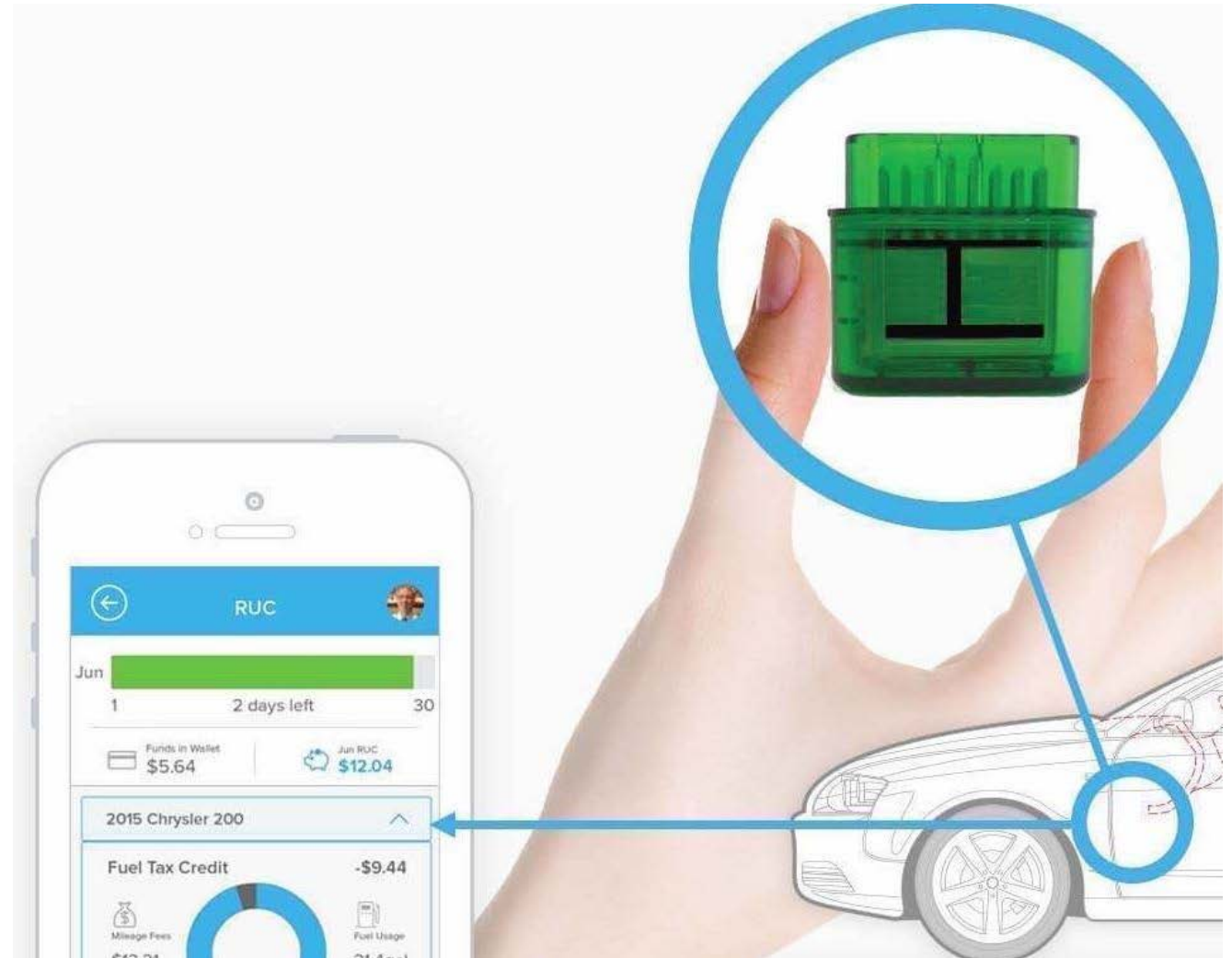
- Up to 5,000 vehicles
- 1.7 cents per mile
- Fuel tax is prepayment of road charge
- Mileage reporting choices
- GPS ***not*** required

Privacy protection

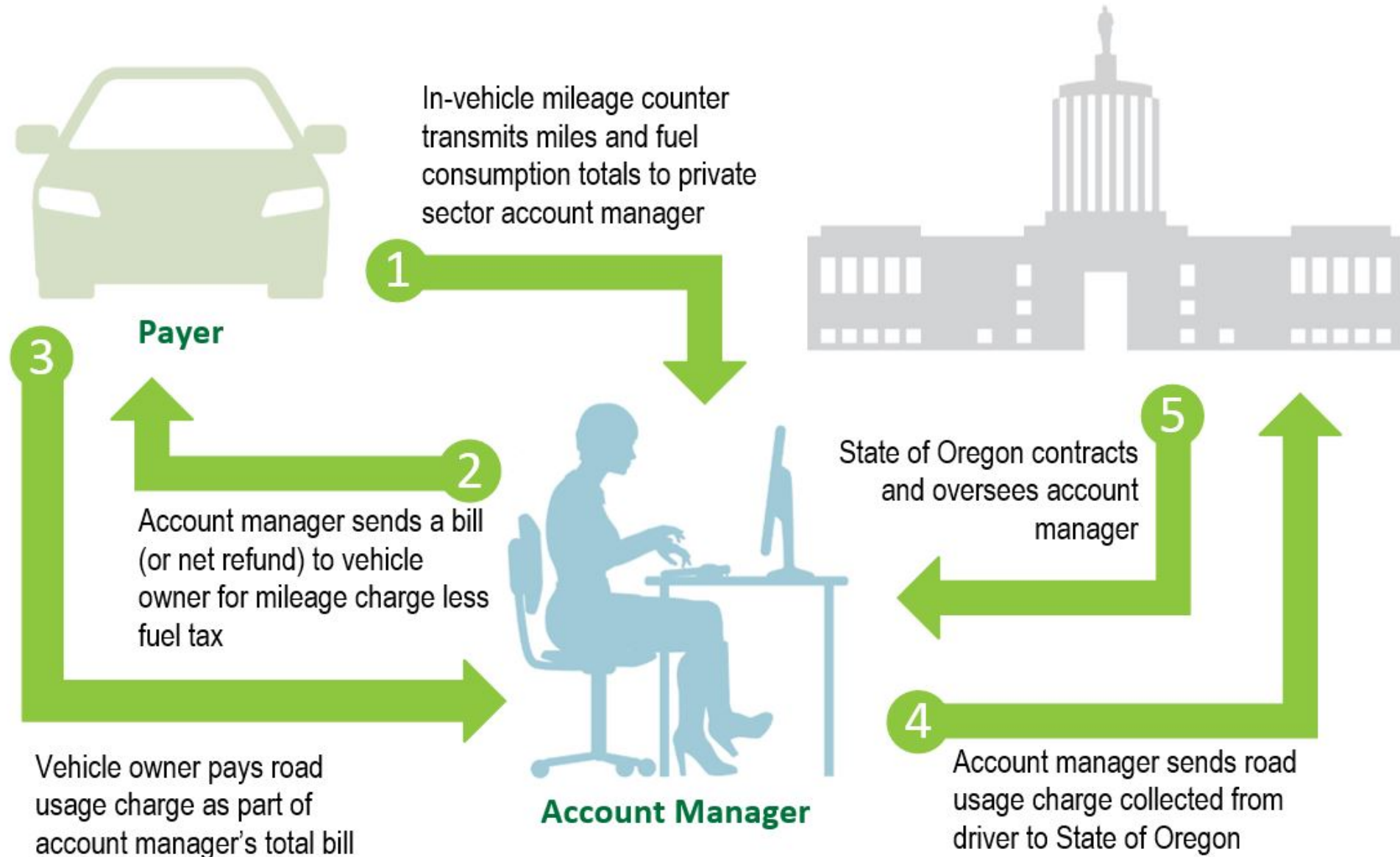
Deployed solution must:

- Provide mileage reporting choices
- Allow private sector account management
- Protect personally identifiable information

And GPS is **not** required



How it works



Oregon's lessons learned

Support all vehicles

Enforcement drives costs

Be technology neutral



OReGO

Effective private sector relations

Provide choices

Experience increases comfort

Challenges





Moving Forward - Additional Considerations

FAST Act Federal Grant (2016)

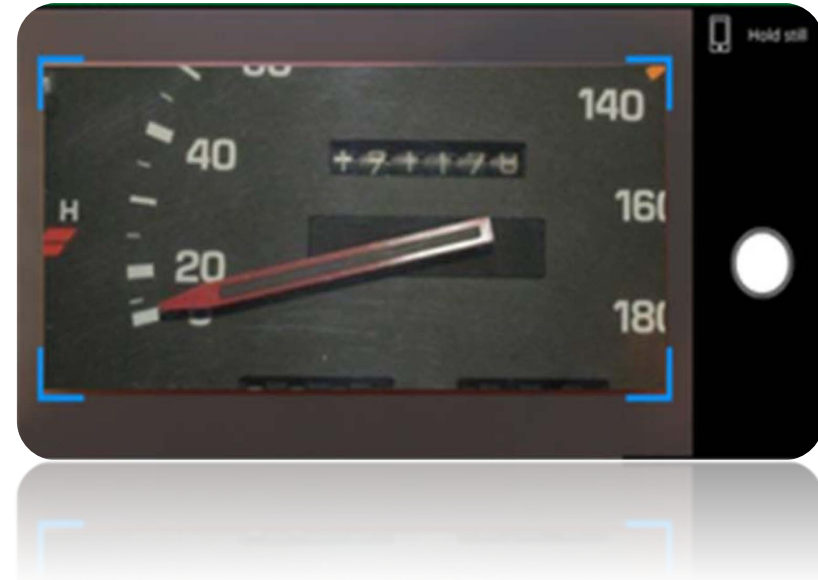
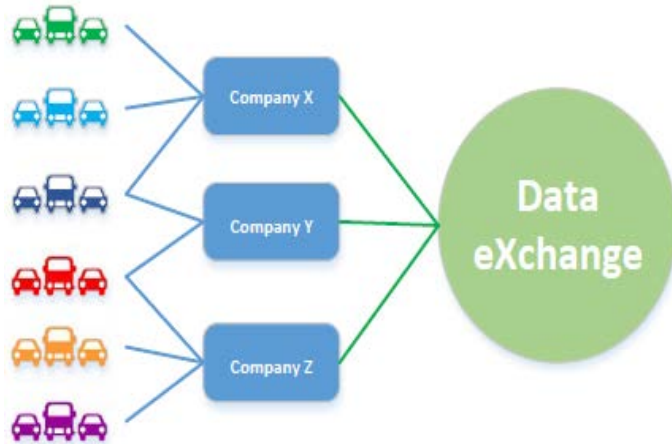
Expand the
Market

Increase Public
Awareness

Evaluate
Compliance

Explore
Interoperability

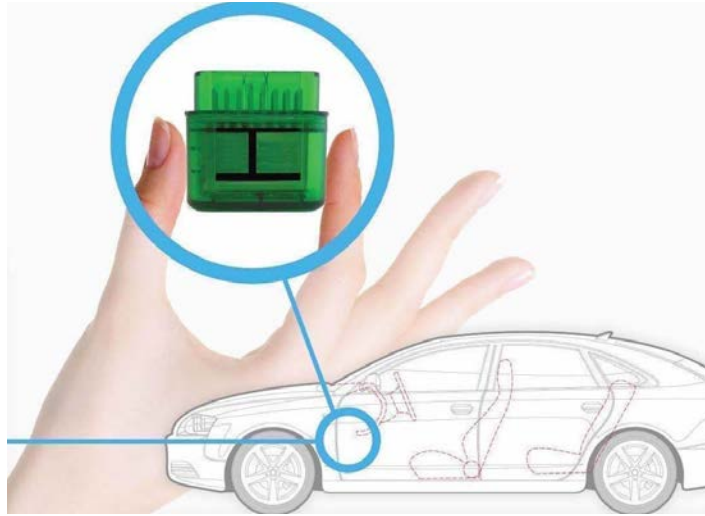
Expand the Market: Increase Technology



Increase Public Awareness



Conduct research



Create education
tools



Conduct education
tour

Evaluate compliance

Account managers & RUC payers

Education

Assistance

Enforcement



OREGO

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Sign me up!

Join OReGO today!

Share your love for Oregon's roads. Spaces are limited!

✔ Sign up today



Compliance

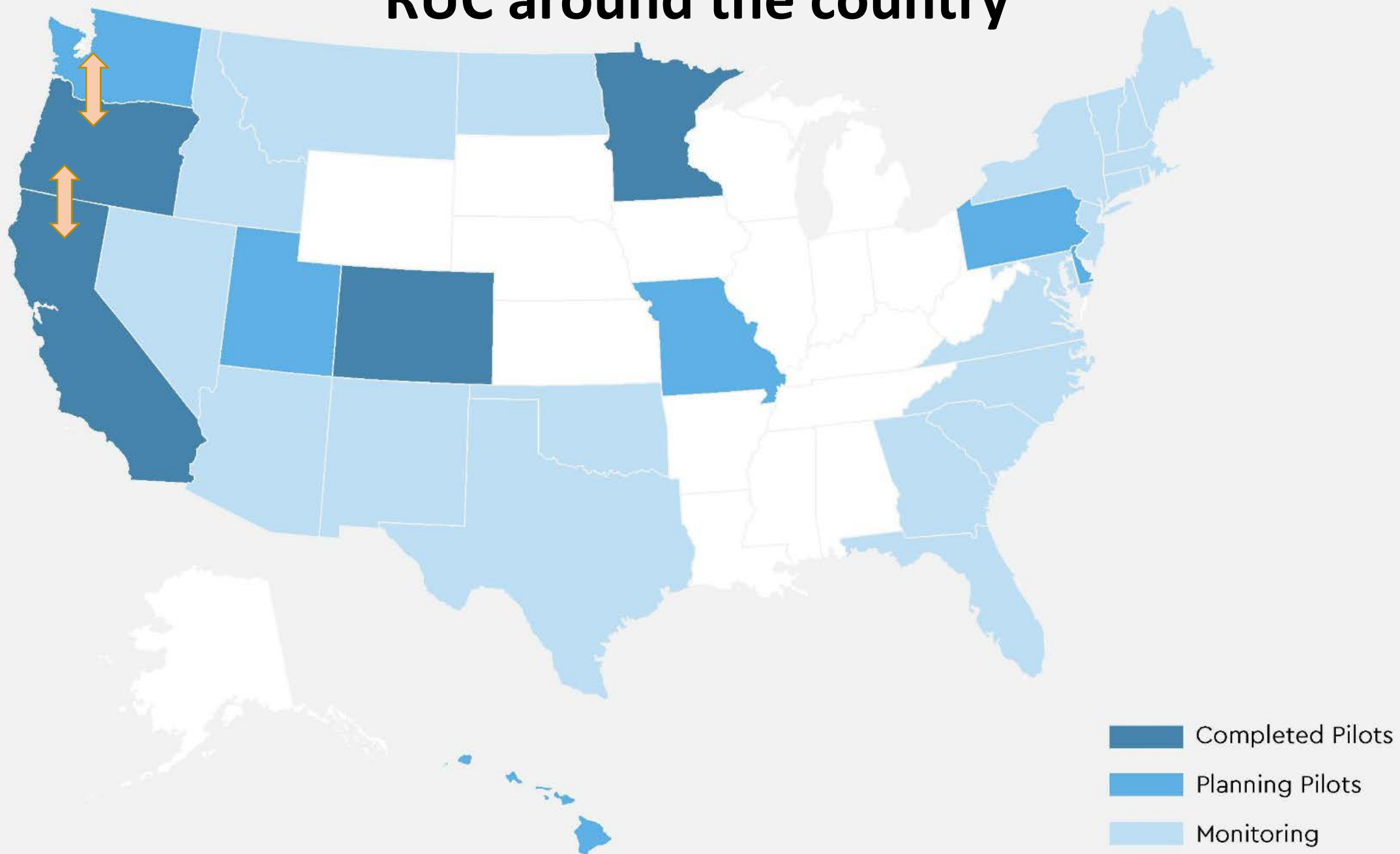
Options:

- Cancellation of registration
- Non-renewal of registration
- Civil penalties – graduated
- Suspension of driving privileges
- Cost recovery

Other considerations:

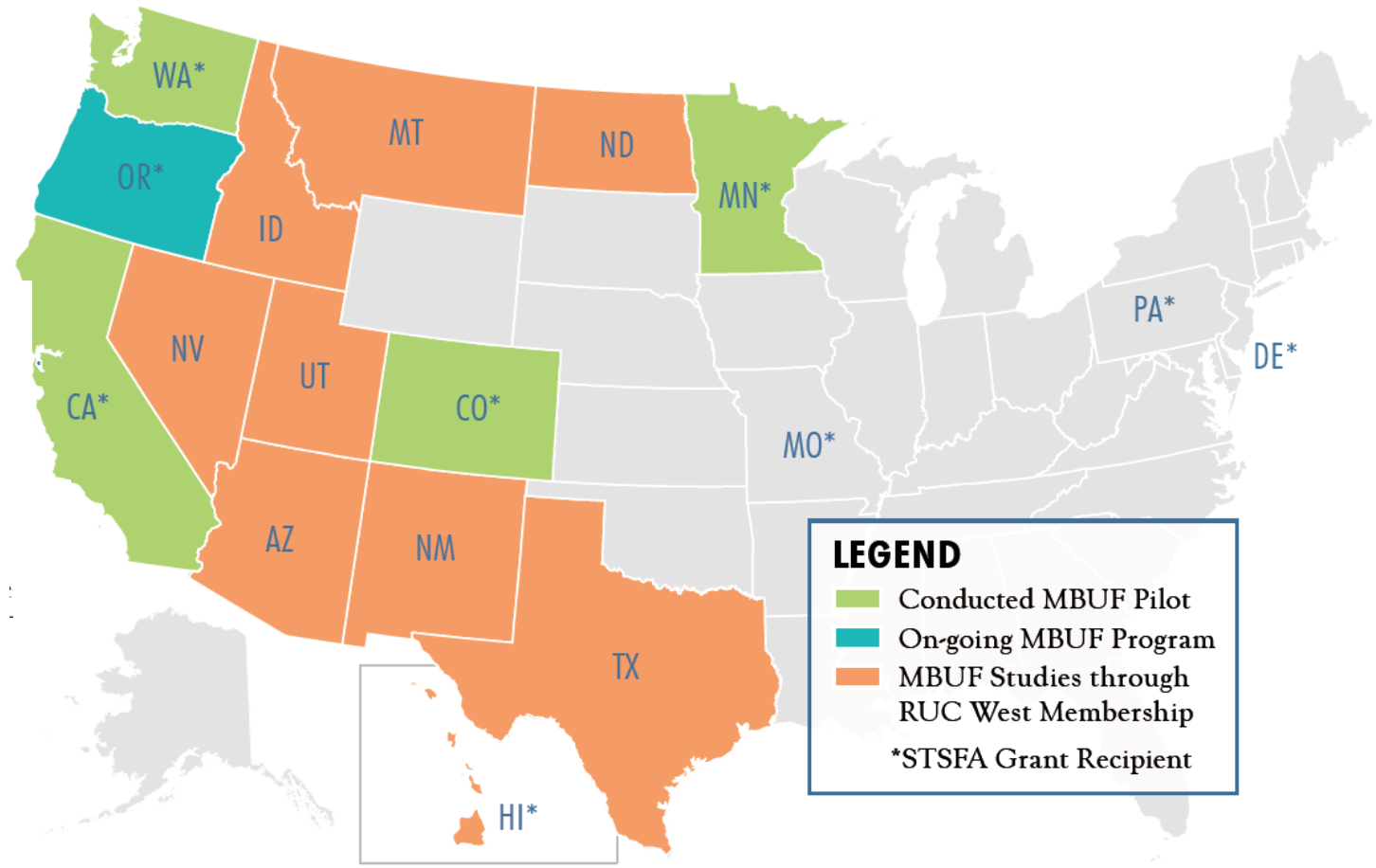
- Waiver program if driver pays the underlying charges + expenses?
- Allow waivers for good cause shown?

RUC around the country



What are other states doing?

- States Conducted Pilots
- Oregon has on-going Program
- Statewide Studies through RUC WEST
- I-95 Corridor Coalition



The future of transportation funding

Considerations

Registration Fees

Does not scale with VMT; does not fairly price high-mileage vehicles

Fuel Taxes

Provides some link between road usage & funding

Road Usage Charge

Scales with VMT; fairly prices high-mileage vehicles



Economic Report of the President

*Together with
The Annual Report
of the
Council of Economic Advisers*

February 2018



Questions?

For more information contact:

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Program Manager:

Maureen Bock

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Maureen.Bock@state.or.us

Memorandum

To: CHAIR AND MEMBERS

TAC Meeting: April 20, 2018

Reference No. 10
Information

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Subject: **PANEL DISCUSSION ON POSSIBLE IMPLEMENTATION OF ROAD CHARGE FOR AUTONOMOUS AND ZERO-EMISSION VEHICLES; COMMERCIAL AND GOVERNMENT FLEETS**

SUMMARY:

For purposes of providing advice to the California Transportation Commission in development of statutorily required Legislative recommendations, the California Road Charge Technical Advisory Committee (TAC) will hear from experts if a phased-in approach for autonomous and zero-emission vehicles as well as commercial trucking and government fleets has merit.

BACKGROUND:

The panel discussion will include the following representatives:

- **Joshua Cunningham**, Chief, Advanced Clean Cars Branch, California Air Resources Board
- **Eric Sauer**, Senior Vice-President of Policy & Government Relations, California Trucking Association
- **Laura Bisesto**, Public Policy Manager, Lyft
- **Evan Speer**, Chief, Office of Fleet & Asset Management, California Department of General Services

Following brief introductory remarks by each panelist, a series of questions will be posed by the moderator and TAC members. The goal is to ascertain the viability of phasing-in a possible road charge for autonomous and zero-emission vehicles, commercial trucking, and government fleets.

Memorandum

To: CHAIR AND MEMBERS

TAC Meeting: April 20, 2018

Reference No. 12
Information

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Subject: **UPDATE ON RESEARCH TO ASSESS FEES ON ZERO-EMISSION AND LOW-EMISSION VEHICLES FOR TRANSPORTATION IMPROVEMENTS**

SUMMARY:

Alan Jenn, Lead Researcher, University of California at Davis Institute of Transportation Studies, will provide Technical Advisory Committee members with an update on research efforts to assess methodologies to raise revenue from zero-emission and low-emission vehicles.

BACKGROUND:

Senate Bill 1 (Beall, 2017) required the University of California at Davis Institute of Transportation Studies to submit a report to the Governor and the Legislature including recommendations regarding possible methodologies to raise revenue from zero-emission and low-emission vehicles to ensure that owners of those vehicles pay their fair share of any costs borne by motorists to fund improvements to the transportation system.

Memorandum

To: CHAIR AND MEMBERS

TAC Meeting: April 20, 2018

Reference No. 13
Information

Published Date: April 9, 2018

From: SUSAN BRANSEN
Executive Director

Subject: **PANEL DISCUSSION ON ADMINISTRATION, REVENUE COLLECTION, AND ENFORCEMENT**

SUMMARY:

If a road charge were to be implemented in California, state government would have to administer, collect revenue, and enforce the program. For the purposes of advising the California Transportation Commission, the California Road Charge Technical Advisory Committee (TAC) will consider the appropriate lead administering agency for a road charge program in California. This panel will discuss how a California road charge program could be administered.

BACKGROUND:

Tim Ford, Administrator, Motor Carrier Office, California Department of Tax and Fee Administration will provide an overview of how the Department administers the International Fuel Tax Agreement (IFTA). IFTA is an agreement between the lower 48 states and Canadian provinces to simplify the reporting of fuel use by motor carriers that operate in more than one jurisdiction. An operating trucking carrier receives an IFTA license and two decals for each qualifying vehicle it operates. The carrier files a quarterly fuel tax report. This report is used to determine the net tax or refund due to the carrier and to redistribute taxes from collecting states to states that are also entitled to receive revenues.

Maureen Bock, Program Manager of the Oregon road usage charge program within the Oregon Department of Transportation will discuss how the program is administered. In 2013, the Oregon Department of Transportation was statutorily required to create a road usage charge program to assess a per-mile charge to drivers who volunteer to participate. The program, known as OReGO is limited to a maximum of 5,000 passenger vehicles. Volunteers still pay state fuel tax at the pump. A fuel tax credit is automatically applied toward their road usage charge invoices.

The OReGO program uses private sector account managers to provide services, which include enrollment, account management, order fulfillment, and customer service. These account managers are also responsible for collecting the mileage information and billing the volunteers. The account managers are responsible for filing tax reports and making payments to the state. Through OReGO, the Oregon Department of Transportation's role is to certify these account managers and oversee their operations, which includes auditing tax reports.

Susan Martinovich, Global Highway Solutions Director, CH2M/Jacobs Engineering will provide an overview of the research effort currently underway for the California Department of Transportation (Caltrans). This federally funded research is part of the Surface Transportation System Funding Alternatives grant program within the FAST Act and was supported by the TAC as an enhancement to the road charge pilot. The research will provide further insights on how a road charge program could be organized in California state government and is expected to be completed this summer. Following the study's completion, Caltrans staff will be asked to provide the TAC members a more thorough overview at the September TAC meeting.

Andrew Conway, Deputy Director, Registration Operations Division, California Department of Motor Vehicles (DMV) will provide a perspective on the possibility of DMV's administration of a road charge program.

Review of Action Items

Staff will provide a verbal overview and a follow-up plan for action items, parking lot items, next steps, and other matters discussed at the meeting.

Public Comment

Public Comments will be solicited from members of the public attending the meeting.